

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

IN RE: '318 PATENT INFRINGEMENT  
LITIGATION

Civil Action No. 05-356-KAJ  
(Consolidated)

## STIPULATION AND ORDER

WHEREAS plaintiffs Janssen Pharmaceutica N.V., Janssen, L.P. and Synaptech, Inc. (collectively “Janssen”) and defendants Dr. Reddy’s Laboratories, Ltd., and Dr. Reddy’s Laboratories, Inc. (collectively “DRL”) have been litigating the issue of alleged infringement of U.S. Patent No. 4,663,318 (“the ‘318 patent”) predicated on DRL’s filing of an Abbreviated New Drug Application, No. 77-593, to obtain approval for the manufacture, use and sale of galantamine hydrobromide oral tablets equivalent to 4, 8 and 12 mg base, beginning in Civil Action No. 05-380-KAJ (“the DRL Action”); and

WHEREAS the DRL Action was consolidated with similar cases Janssen commenced against several other defendants; all of which have been consolidated in this Court under the above caption and in Civil Action No. 05-356-KAJ (“the ‘318 Action”);

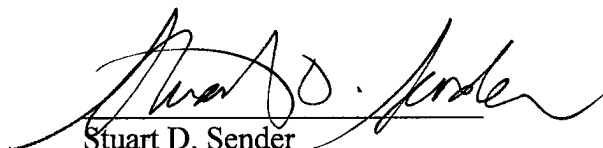
IT IS HEREBY STIPULATED AND AGREED, between Janssen and DRL,  
through their undersigned attorneys, that:

1. This DRL Action is STAYED; and
2. If a judgment of invalidity is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the DRL Action at the same time;

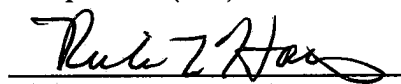
3. If a judgment of unenforceability is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the DRL Action at the same time;
4. If a judgment in favor of Janssen is entered in the '318 Action, the stay shall be lifted and such a judgment shall be entered in the DRL Action at the same time;
5. Notwithstanding entry of a final judgment in the '318 Action concerning the issues of willful infringement and/or exceptional case under 35 U.S.C. § 285, no such judgment shall be entered in the DRL action, both parties having agreed to waive any claim for attorney's fees against the other in the DRL action;
6. Any judgment entered in favor of DRL herein as a result of a judgment in the '318 Action shall be subject to appeal by Janssen in that Action;
7. Any judgment entered in favor of Janssen herein as a result of a judgment in the '318 Action may be appealed by DRL on the record in the '318 Action;
8. In the event that judgment in favor of Janssen is not appealed by DRL, but is vacated, modified, affirmed or reversed on appeal in the '318 Action, then such judgment shall be applied in the same manner to any judgment entered in this case; and

9. Notwithstanding the foregoing, either party may move to lift the stay for good cause shown.

Dated: May<sup>30</sup>, 2006



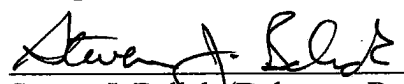
Stuart D. Sender  
BUDD LARNER P.C.  
150 John F. Kennedy Parkway  
Short Hills, New Jersey 07078  
Telephone: (973) 379-4800



Richard L. Horwitz (Delaware Bar No. 2246)  
POTTER ANDERSON &  
CORROON, LLP  
Hercules Plaza, 6<sup>th</sup> Floor  
1313 N. Market Street  
P.O. Box 951  
Wilmington, Delaware 19899  
Telephone: (302) 984-6000  
Attorneys for Defendants  
*Dr. Reddy's Laboratories, Inc.*  
*and Dr. Reddy's Laboratories, Ltd.*



George F. Pappas  
COVINGTON & BURLING  
1201 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2401  
Telephone: (202) 662-6000



Steven J. Balick (Delaware Bar  
No. 2114)  
ASHBY & GEDDES  
222 Delaware Avenue, 17th floor  
P.O. Box 1150  
Wilmington, DE 19899  
Telephone: (302) 654-1888  
Attorneys for Plaintiffs.  
*Janssen Pharmaceutica, N. V.*  
*Janssen, L.P. and Synaptech, Inc.*  
.

**SO ORDERED:**

---

United States District Judge

Dated:

**CERTIFICATE OF SERVICE**

I hereby certify that on the 30th day of May, 2006, the attached **STIPULATION AND ORDER** was served upon the below-named counsel of record at the address and in the manner indicated:

John W. Shaw, Esquire  
Young Conaway Stargatt & Taylor, LLP  
The Brandywine Building  
1000 West Street, 17<sup>th</sup> Floor  
Wilmington, DE 19801

HAND DELIVERY

Daniel F. Attridge, P.C.  
Kirkland & Ellis LLP  
655 15<sup>th</sup> Street, N.W.  
Washington, DC 20005-5793

VIA FEDERAL EXPRESS

Mary B. Matterer, Esquire  
Morris James Hitchens & Williams LLP  
222 Delaware Avenue, 10<sup>th</sup> Floor  
Wilmington, DE 19801

HAND DELIVERY

William A. Rakoczy, Esquire  
Rakoczy Molino Mazzochi Siwik LLP  
6 West Hubbard Street, Suite 500  
Chicago, IL 60601

VIA FEDERAL EXPRESS

John C. Phillips, Jr., Esquire  
Phillips, Goldman & Spence, P.A.  
1200 North Broom Street  
Wilmington, DE 19806

HAND DELIVERY

Lynn M. Ulrich, Esquire  
Winston & Strawn LLP  
35 West Wacker Drive  
Chicago, IL 60601

VIA FEDERAL EXPRESS

Frederick L. Cottrell, III, Esquire  
Richards, Layton & Finger  
One Rodney Square  
Wilmington, DE 19801

HAND DELIVERY

Alan H. Bernstein, Esquire  
Caesar, Rivise, Bernstein, Cohen & Pokotilow, Ltd.  
1635 Market Street, 12<sup>th</sup> Floor  
Philadelphia, PA 19103

VIA FEDERAL EXPRESS

*/s/ Steven J. Balick*

---

Steven J. Balick